

**House File 641 - Introduced**

HOUSE FILE 641

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**A BILL FOR**

1 An Act providing for the transfer of certain excess moneys  
2 from the Iowa economic emergency fund to the property tax  
3 equity and relief fund and including effective date and  
4 applicability provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 8.55, subsection 2, Code 2011, is amended  
2 to read as follows:

3 2. *a.* The maximum balance of the fund is the amount equal  
4 to two and one-half percent of the adjusted revenue estimate  
5 for the fiscal year. If the amount of moneys in the Iowa  
6 economic emergency fund is equal to the maximum balance, moneys  
7 in excess of this amount shall be transferred ~~to the general~~  
8 fund as follows:

9 (1) To the property tax equity and relief fund created  
10 in section 257.16A. Moneys transferred to the property tax  
11 equity and relief fund for each fiscal year shall not, however,  
12 exceed an amount equal to twenty-five million dollars minus  
13 the amount credited to the property tax equity and relief fund  
14 under section 423F.2, subsection 3, for the same fiscal year if  
15 such amount credited to the property tax equity and relief fund  
16 under section 423F.2 is less than twenty-five million dollars.

17 (2) Moneys remaining following the transfer of moneys to  
18 the property tax equity and relief fund in accordance with  
19 subparagraph (1) shall be transferred to the general fund of  
20 the state.

21 *b.* Notwithstanding paragraph "a", any moneys in excess of  
22 the maximum balance in the economic emergency fund after the  
23 distribution of the surplus in the general fund of the state at  
24 the conclusion of each fiscal year shall not be transferred to  
25 the property tax equity and relief fund or the general fund of  
26 the state but shall be transferred to the senior living trust  
27 fund. The total amount appropriated, reverted, or transferred,  
28 in the aggregate, under this paragraph, section 8.57,  
29 subsection 2, and any other law providing for an appropriation  
30 or reversion or transfer of an appropriation to the credit of  
31 the senior living trust fund, for all fiscal years beginning on  
32 or after July 1, 2004, shall not exceed the amount specified in  
33 section 8.57, subsection 2, paragraph "c".

34 Sec. 2. EFFECTIVE DATE AND APPLICABILITY.

35 1. This Act, being deemed of immediate importance, takes

1 effect upon enactment.

2 2. The section of this Act amending section 8.55 by  
3 providing for transfer of moneys from the Iowa economic  
4 emergency fund applies to transfers made from the Iowa economic  
5 emergency fund after the effective date of this Act and the  
6 state general fund expenditure limitation calculated for  
7 the fiscal year beginning July 1, 2011, shall be adjusted  
8 accordingly.

9 EXPLANATION

10 This bill amends Code section 8.55 by providing that when  
11 the Iowa economic emergency fund achieves its maximum balance  
12 the excess funds are first transferred to the property tax  
13 equity and relief fund, under Code section 257.16A. The amount  
14 transferred to the property tax equity and relief fund is  
15 limited to an amount equal to \$25 million minus the amount  
16 credited to the property tax equity and relief fund under Code  
17 section 423F.2(3) for the same fiscal year if such amount  
18 credited under Code section 423F.2(3) is less than \$25 million.  
19 The bill provides that after such transfer to the property  
20 tax equity and relief fund the remaining moneys in the Iowa  
21 economic emergency fund in excess of the maximum balance are  
22 transferred to the general fund of the state.

23 The bill takes effect upon enactment, applies to transfers  
24 made from the Iowa economic emergency fund on or after the  
25 effective date, and requires the effect of such transfers to  
26 be reflected by adjusting the state general fund expenditure  
27 limitation calculated for fiscal year 2011-2012 accordingly.